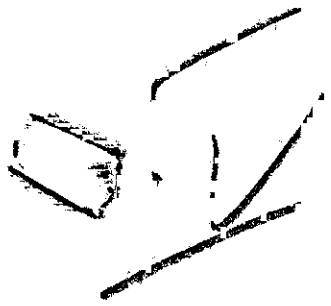
195C-52 **File No.** 632/45

B CLASS

L.W. **DEPARTMENT**

B **BRANCH**

Subject:— 81-A-Capital outlay on Electricity Schemes
Opening of a new sub-head under the major head



B [K] - 1952

File No. v3 632/48

Etd. Scott. Slip. 24 A

G.R., G.D., No. 2408, dated 22-6-22.]

Correspondence

DOCKET SHEET

Subject :—

File No. 632/48

J.W. DEPT.

B BRANCH.

References :—

Original file sent to M

Date.	To whom sent.	Notes and instructions.

/

Copy. 1
A. R. (111)

P. 42/7.
P. W. D.

In G. R. No. 632/48, dated the 11-4-50, a revised estimate amounting to Rs. 55.65 lakhs has been sanctioned for preliminary investigations in connection with the Koyna Hydro-Electric Scheme and the expenditure has been classified as under.

	Rs.	
Works.	20,60,000	81-A Capital Outlay On Electy. Schemes,
Tools and Plant.	6,20,400	
	26,80,400	
Establishment	26,84,700	52-A other Revenue Expenditur connected with El. Schemes.

in the Estabt. charges (Rs. 26,84,700), a sum of Rs. 11,00,000 which is meant for "Consultant charges and Contingencies", included. As this does not form a "regular establishment", the expdr. of Rs. 11,00,000 ought to have been debited to "81-A", i.e. under "work" instead of "52-A". The G. R. of 11-4-50 may therefore be suitably modified now in U. O. consultation with the F. D.

2. In accordance with the orders issued in the G. R. quoted abive, the El. Commr. has asked for a provi sion of Rs. 5,40,000 for fees and contingencies under "52-A". As pointed above, it is correctly debitable to "81-A". The point for consideration is, however, what provision should be made for fees and contingencies. The provisiin of Rs. 5,40,000 asked by the El. Commr. seems to be necy. excessive. A provision of Rs. 4,00,000 may perhaps be admitted. for 1951-52.

Id/- L.T.B. 28-10-50 K.V.J. 30-10-50 S.G.J. Id/- 30-11-50 M.L.C. 31-10-50 G.V.B. 1-11-50

U. O. to F. D. dated 2-11-50.

Extract para 1 of the F. D. note, dated the 8-11-50.

The proposal made in para. 1 of the P. W. D. note overleaf may be agreed to That Deptt. may however be requested to show the papers to the A. G. also before issue of orders.

KVRV.

~~Kl Br. (i)~~

632/48
P. W. D.

Submitted

2 In view of the proposal made at "A" on p. ante, the draft reason put up, may issue of the U.O.R. to the A. G. as advised by the Fin. Deptt.

Id/-
16/18-11-51

Id/-
18-11-50.

U..O. R. to the A. G. Bombay Dated 23-~~11~~-51. With file No. 632/48 ii. Evrv.

A. G's Office, Bombay.

Returned with compliments to the Public Works Department.

Works establishment includes such establishment as is employed on the actual execution as distinct from general superv or a specific work vide para 89 of the B. P. W. D. Manmual Vol.1 except the establishment provided for surveying , drawing, tracing etc., in estimates for the preparation of projects which should be regarded as engaged on the execution of the work vide notes under para 119 pages 119,143 and 183 of the

The details of Rs. 11,00000 have not been given but it appears from the

(i) Consultating Engineers fees working
(ii) Govt. whole time staff working with the consultants - and linked file that this amount consists of
(iii) Contingent expednditure.

The expenditure on (i) above and portion of (ii) which falls under the provision of para 89 of the Bombay P. W. D. Manmal Vol 1, can alone be taken to "Works" i.e. 81-A Capital Outlay on Electricity Schemes and the remaining expenditure pertaining t o (ii) and the whole of (iii) Viz. contingent expenditure will be a correct charge under "52-A" Other Revenue Expenditure connectied with Electric Schemes - Establishment."

Id/-
8-3-51
D. A. G.

U.O.R. to Public Works Department, Bombay
No. P. W. vi / E.G./ 305 (v) Mar. 51.

Id/-
7-3-51

Evrv.

5

632/48/23458.

P. W. D.

E. E.

Please see proceedings on p ante 21- The C. E. Bombay Elec. Grid may be requested U.O. to distribute the figures under "works and establishment" mentioned in G. R. No. 632/48 dated the 11-4-50, in the light of the remarks of the A. G. Bombay so as to enable Govt. to modify the orders in the G. R. accordingly.

Thro. "F" Br.

Id/-
24-11-51

Id/-
25/11.

U. O. No. to C. E. Bombay dGovt. Grid. dated 26-4-51.

Surv.

Below P. W. D. U. O. R. No. 632/48/23458 dated the 26th April 1951.

Returned with compliments. Electric Grid Department.

2 The prevision of Rs. 11 lakhs made in the revised estimate for preliminary investigations of the Koyna Project represents entirely fees payable to foreign consultants for the first stage of the design and nothing for contingencies. The payments to foreign consultants are more or less identical to the expenditure, on the design staff employed centrally for the purpose. It is because staff trained in a special type of design work is not readily available that recourse to consultants is made. They are, therefore, of the nature of establishment charges incurred for the preparation of design, estimates of projects but not of the nature of work charged establishment or works expenditure. The provision asked for does not include any expenditure on the whole time Government staff working with the consultants.

3 The Accountant General in his U. O. Reply No. P.W. VI/EG/305 dated 10-3-51 has suggested that part of the prevision of Rs . 11 lakhs for consultatants, fees for portion of the expenditure on the Government whole time staff working with the consultants should be regarded as "works expenditure" under the head "61-A Capital Outlay" as per provisions of para 89 of P. W. D. Manual. No doubt note 1 under para 89 ibidlays down that the establishment provided for surveying, drawing, tracing and in the estimates for the preparation of the project should be regarded as engaged on the execution of works and should therefore be treated as work charged. But this classification would seem to comprise principally the field work, any follow up desk work being consequential in nature. Whereas in the case of consultants engaged on designs, the relative preparation are reversed. Therefore engagement of foreign consultants should as stated above, be of the nature of engaging technical staff at Headquarters for the preparation of project estimates and designs and , therefore, of the nature of establishment charges, which should rightly be classified in the works estimates as a distinct sub head.

It is.....

It is brought to notice that in all but a few of the estimates of the Ch works provision at the rate of 2½ % works expenditure is made for charges of staff engaged at headquarters for supervision and engineering of the Schemes. This engineering is in essence consulting work carried out by the Central technical officer for individual Schemes.

The present rules for the classification of/expenditure were framed for Irrigation Department which was the sole designer and dispenser of its own works. The procedure of employment of consultants on a large scale may perhaps not fit in these classifications and to absorb this new feature the proper course would seem to be to amend the rules.

4 The provision of this expenditure as establishment charges is, however, quite distinct from the expenditure on the regular establishment, , the provision ffor which is made under the head "52-A Other Revenue Expenditure",.

5 The proposed draft order of Government showing the provision of Rs. 11 lakhs with the works expenditure, i.e. Rs. 31,60,000 is not suitable for the reasons stated above. As suggested that it may be amended as shown below—

1 Works.	Rs. 2060000	
#1A Establishment (Consultants fees)	11,00,000 / Rs.* 820,000	81-A Capital outlay on Electricity Schemes.
#11 Tools and plant.	Rs. 3960400...	
	Rs. 39,80,400	
111 Est ablishment	Rs. 15,84,700	52-A Other Revenue Expdr. connected with Electricyty Schemes.

To
Secretary to Govt.
P. W. D. Bombay. Budget-19723

U.O.R. No. A/8/ 1923
Bombay 1: 11-7-51

Evrv.

~~E. Br.~~ 632/48/60463

P. W. D.

7 S

Submitted with reference to the O . M dated the ~~24-4-51~~

2 ~~It~~ for the reasons given by the C. E. B. E. G. the classification of expenditure for preliminary investigation proposed by the C. E., may be accepted in consultation with t~~he~~ A. G. Bombay

Through E. Br.

Id/- 28-7-51 Id/- 28/7

UO.C. to the A. G. Bombay Dated 3rd July 1951 (with file No. 632 /48-pt.II)

Ever.

A. G's Office, Bombay.
Seen and returned with complim

The Chief Engineer's statement that Consultants Fees be classified as Establishment charges under a distinct sub-hand in the works Estimate is correct but it cannot be classified under the minor head # Establishment" under the major head "52-Capital outlay" or "52-A Other Rev. Expenditure connected with Elec. Schemes".

U.O. R . to Government of Bombay, Public Works Deptt.
No. P. W. [illegible] Eg/ 1561. dt. 21st Jan. 1952
with D. P. W. D. file No. 632/48/11.

K. Br. P. W. D.

The A. G., Bombay states that the C. E. B. E. G's Consultation that the "Consultant Fees" one to be classified as Estabt. charges under a district subhead in the works estimate is correct.. He has however, not suggested under what major head this sub-head should be . The P. D. may perhaps be requested to advise.

Id/- 18-1-52 Id/- 19/1 Id/- 18/1

Thro. K. Br,

U.O. to the P. D. dated 21st Jany 1952 with file No. 632/48 pt. 11.

Evrv.

U

From
~~Mr. Dutt (Fr. L.)~~

With reference to its foregoing note, the P. W. D. may be informed that the A. G. has already agreed to the expenditure on consultant's fees being classified as establishment charges under a district sub head in the works estimate. In view of this orders for opening a sub head "Consultant fees as establishment charges" under the minor head "works" under the major head (51-A) Capital Outlay on Elc. ~~Shemes~~ Schemes, will have to be issued by the P. W. D.

2 The papers may be returned to the P. W. D. through the A. G., who may be requsted to state whether he agrees with the views expressed in para 1 above.

Id/-
6/8-2-52

Id/-
2-2-52

U. O. R. A. G P. W. D. dated 8-2-52

P. W. VI / 5367.

RVR.

& will- P.W. D 632/48 Fr

Below P. W. D. U.O.R. No. 632/48-2580 dt/ 21-1-52.

A. G's Office, Bombay,

Passed on with compliments to the Secretary to Govt., P. W. D. Bombay,

2 There is no audit objection to the opening of the Sub-Head "Consulta fees as establishme t charges " in the works estimates under the minor head "working Works" of the Major head " 61-A Capital outlay on Electricity Schemes."

Id/-
20-3-52

U.O.R. to the Secretary to Govt. P. W. D. Bombay.

U.O.R. No PWVL- EgO 2026. dated 20-3-52.

Encls. File to 632/48-P X 11

K. Br. P. W. D.

Submitted Thro K. Br.

Id/
25-3-52

The necessary draft resolution B put up for approval.

Id/-
28-3-52

Id/-
28/3

D. S., (H. K.)
Secy.

Draft not prescribed

K . Br. P. W. D.
Resubmitted.

2 It is presumed that the draft on page post may now issue as amended by the Secy.

Id/- Id/- Id/-
31/3/52 31/3

The Draft (urgent) and C. E. requested to notify orders o G. R. " There absured secondly is there is no Expdr. to the debited. but merely showing on New (of Expdr.) under separate sub head.

EVRV.

Ext 19

"31-A Capital Outlay on Electricity Schemes,
Opening of a new Sub-head under the major head:

GOVERNMENT OF BOMBAY.
Public Works Department.
Resolution No. 632/48.
Bombay Castle, (Bombay No.1)
2nd April 1952.

RESOLUTION OF GOVERNMENT.

Government is pleased to direct that a new subhead" Consultg Fees as Establishement Charges" , in the works Estimates, should be opened, under the minor head "Works" of the major head "31-A Capital Outlay on Electricity Schemes". The new classification should be adopted with immediate effect.

2 The Chief Engineer, Bombay Electric Grid, is requested, in modification of the orders, issued in Government Resolution, No. 632/48, dated 11th April 1951, to show debit of the sum of Rs. 11,00,000 on preliminary investigations of the Koyna project, to the new Sub-head mentioned above.

By order of the Government of Bombay,

M. S. CHAKRAVARTI)
Deputy Secretary to Government.

Tp
All Departments of the Secretariat.
All other heads of Offices under several Departments of the Secretariat.
The Chief Engineer, Bombay Electric Grid.
The Accountant General, Bombay.
The Deputy Accountant General, Baroda.

Class "C"

No. of 1952.

Copy forwarded for information and guidance. to—

Issued except all heads 7-4-52

Issued to all 14-4-52

21

No. W. 788 of 52-53 Government Central Press,
Bombay, 6th May, 1952.

To

The Assistant Secretary to the Government of Bombay,
Public Works Department,
Bombay.

Subject:- Opening of a new sub head under the major head 61-A Capital outlay on Electricity Schemes.

Ref:- G. R. P. W. D. No. 688 632/48 dated 2-4-52.

Sir,

In view of the orders issued in G. R. cited above kindly state the correct budget head to which the cost of printing is to be debited for the purposes of proforma accounts.

Yours faithfully.
I/1-
Manager,
Government Central Press.

Rvrv.

F 23

Letter.

No. 632/48-B.

Public Works Department.
Bombay Castle (Bombay 1)
13th May 1952.

To

The Manager,
Government Central Pr ss.

Subject Printing of Pro-forma accoutnts.

Reference Your letter No W/786. dated the 6th May 1952.

2 I am directed to inform you that the cost of printing for the purposes of Pro-forma accounts will continue to be debited to the head " 52-A other Revenue Expenditure connected with, Electricity Schemes " . Since it does not form part of Consultant fees in connection with the preliminary investigations of the Koyna Project for which a new sub -head has been opend.

By order of the Governor Bombay.

Assistant Secretary to the Government of Bombay,
Public Works Department

D. A. Mil.

Rvrv.